County of Los Angeles
CHIEF EXECUTIVE OFFICE

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February 19, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

CHIEF INFORMATION OFFICE/PARKS AND RECREATION: AUTHORIZATION TO USE INFORMATION TECHNOLOGY FUNDS (ITF) AND FOR THE CHIEF INFORMATION OFFICE TO EXECUTE A SERIES OF WORK ORDERS WITH INTERNATIONAL BUSINESS MACHINE (IBM) CORPORATION TO SUPPORT IMPLEMENTATION OF A STRATEGIC ASSET MANAGEMENT SYSTEM (ALL DISTRICTS -- 3 VOTES)

1. Approve and authorize the use of $1,650,000 from the Information Technology Fund (ITF) to support the acquisition of hardware, software, and professional services to implement the Department of Parks and Recreation's *Strategic Asset Management System*.

2. Approve and direct the Chief Information Officer (CIO) to execute a series of Work Orders for consulting services under the County's Master Services Agreement (MSA) with International Business Machines (IBM) Corporation, for implementation of the Department of Parks and Recreation's *Strategic Asset Management System* for a maximum amount not to exceed $1,650,000. This request is in accordance with your Board directive requiring Board approval for all Work Orders exceeding $300,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In their October 22, 2007 meeting, the Information Technology Fund (ITF) Executive Committee voted to recommend utilizing $1,650,000 funding from the ITF for computer hardware, software and professional services to support the implementation of Department of Parks and Recreation's *Strategic Asset Management System*.

"To Enrich Lives Through Effective And Caring Service"

The Department of Parks and Recreation manages an estimated $500 million in appraised fixed assets. These include fixed asset equipment such as air conditioning units, water pumps, swimming pool filtration systems, lighting, and playground equipment at over 140 facilities, 67 local parks and 17 community regional parks including 31 swimming pools, 132 tennis courts, 158 playgrounds, 144 ball fields, and 49 basketball courts. Many of these assets/facilities require mandated, periodic maintenance and inspections. Currently, the Department tracks and manages these assets through 11 outdated, disparate legacy systems. The disparate architecture has created major information gaps between various offices, resulting in data inconsistency and inaccessibility. The deficiency has impeded the Department of Parks and Recreation's plans to set metrics for performance measures and other benchmarks necessary for business and process augmentation. The labor hours spent daily in supporting the existing cumbersome and labor-intensive systems are also extremely inefficient and ineffective.

The Department of Parks and Recreation is seeking ITF funding to implement IBM's Maximo, an integrated web-based asset management system to enhance the Department's ability to efficiently and effectively manage assets. IBM's Maximo software suite offers a comprehensive solution to address the Department's materials management, maintenance management, and work order management needs.

Maximo software will provide the Department of Parks and Recreation with the ability to:

- Consolidate the Department's disparate asset management applications into a single comprehensive system to track and manage all assets;
- Identify, catalog, and inventory hierarchially all existing assets;
- Track the deployment, movement and retirement of assets;
- Monitor and track preventitive, corrective, planned, and emergency asset maintenance activities and related costs through desktop and portable computing devices in the field;
- Develop reliability models to better forecast scheduled maintenance activities by using anticipated variables such as cost increases, equipment age, etc. and unscheduled maintenance activities by using historical trend data;
- Develop and implement asset management strategies and practices to optimize maintenance activities and avoid unnecessary asset downtime that can impact the delivery of services; and
- Plan and optimize routing of daily maintenance activities and personnel.

Maximo is an IBM software solution and is currently installed at the Department of Public Works, Fire, and Sheriff's Department. IBM has been engaged by these departments to provide technical services supporting the implementation of the Maximo solution. This experience working within the County's environment allows for an efficient and consistent implementation of Maximo within and across multiple departments. A standardized interface and related control procedures between Maximo and eCAPS, the County's financial system, is being developed through the coordinated efforts of the CIO, Auditor-Controller, IBM, and CGI, our eCAPS solution provider, connecting the materials and inventory functions within Maximo to the eCAPS purchasing module. IBM is, therefore, uniquely positioned to provide the required technical support and consulting services for the implementation of the Maximo system at Department of Parks and Recreation.

The system will be implemented and supported with the assistance of the Internal Services Department utilizing a shared services model, creating potential opportunities for other departments to utilize the same infrastructure resulting in reduced operating costs. The Department of Beaches and Harbors and Department of Children and Family Services (DCFS) have indicated their intent to implement the Maximo asset management program under this model.

Implementation of Strategic Plan Goals

This project supports the County's Strategic Plan Goal 3 – *Organizational Effectiveness*, by ensuring that service delivery systems are efficient, effective, and goal-oriented.

FISCAL IMPACT/FINANCING

On October 22, 2007, the ITF Committee voted to recommend funding this project in the amount of $1,650,000. The estimated project cost breakdown is as follows:

Description	Estimated Cost
Hardware	$ 300,000
Software	446,000
Implementation Services	754,000
Project Contingency	150,000
Project Total	**$ 1,650,000**

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

As required by your Board directive, Work Orders over $300,000, to be issued under the County's IBM Master Services Agreement, shall be submitted to your Board for approval.

IMPACT ON CURRENT SERVICES/PROJECTS

Implementation of the *Strategic Asset Management System* at the Department of Parks and Recreation will replace outdated disparate legacy systems with a web-based, mobile access and preventive maintenance system. The system will effectively track and maintain an inventory of all facility assets and parts along with their respective warranty and maintenance records or work orders. It will facilitate analysis of replacement needs, warranty renewal/termination and overall efficient use of resources.

CONCLUSION

Your Board's approval of the recommended action will authorize the use of ITF funds to implement the Department of Parks and Recreation's Strategic Asset Management System. All ITF grant recipients are required to provide a bi-monthly status report to the CIO. All projects are established in the Information Technology Project Tracking and Status System (ITTS) monitored by the CIO.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:ES:JWF
GS:JY:cg

c: Chief Information Officer
       County Counsel
       Director, Internal Services Department
       Director, Parks and Recreation
       Information Systems Commission
       ITF Project